

Agency Activity Inventory
by Agency
Appropriation Period: FY 2006-07

Agency: R16 - Second Injury Fund

Functional Group: Transportation &
Regulatory

1332 Claims Administration

Claims administration is the primary activity of the agency. It exists to investigate, evaluate and make the final decision to accept, compromise, or deny claims for payment. SC Code of Laws Sections 42-7-200;42-7-310;42-7-400 and 42-7-410 (Same for all activities)

FY 2006-07

Total	General Funds	Federal Funds	Supp. Funds	CRF	Other Funds	FTEs
\$685,165	\$0	\$0	\$0	\$0	\$685,165	9.00

Expected Results:

Expected Results are to protect employers from increased workers' compensation insurance costs; advance the hiring and retention of the disabled; to ensure payment of workers' compensation benefits to injured workers whose employers are in violation of the Workers' Compensation Law; prompt determination of eligibility; efficient claims processing and payments; contain claims cost; and sound fiscal management.

Outcome Measures:

1186 employers benefited from the Second Injury Fund in FY06 vs. 1922 in FY05. 854 injured workers received benefits from the Uninsured Employers' Fund in FY06 vs. 722 in FY05. 73% of Second Injury Fund claims were accepted within 4 years of the date of accident, ensuring that these claims should not have an adverse affect on the employer's workers' compensation insurance premium. Reduced the annual assessment by \$24.1 million in FY06 vs \$17.2 million in FY05 through a stringent reimbursement audit process. Administrative cost ratio for the Second Injury Fund and Uninsured Employers Fund are 1% and 18% respectively. These cost ratio are considerably lower than insurance industry administrative cost ratio.

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1333 Legal

Represent the agency in contested claims before the Workers' Compensation Commission and in all appeals to higher courts

FY 2006-07

Total	General Funds	Federal Funds	Supp. Funds	CRF	Other Funds	FTEs
\$385,025	\$0	\$0	\$0	\$0	\$385,025	5.00

Expected Results:

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Timely identify, investigate and assess complex and high-dollar claims; efficient and economic use of in-house legal staff and contract attorneys; vigorously defend claims before the Workers' Compensation Commission and appellate courts

Outcome Measures:

Achieved expected results before the Workers' Compensation Commission; contributed to the development of case law favorable to the agency and the state.

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1334 Recoveries

Evaluate and investigate all paid Uninsured Employers' Fund claims to determine prospect of the recovery of all costs paid by the Fund

FY 2006-07						
Total	General Funds	Federal Funds	Supp. Funds	CRF	Other Funds	FTEs
\$118,008	\$0	\$0	\$0	\$0	\$118,008	1.00

Expected Results:

Recover 15% or more of costs paid

Outcome Measures:

Recovered 5% of costs paid in FY06.

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1335 Administration

Provides executive leadership; support; policy development and review; internal programs such as finance, budget, human resources, procurement, and staff development; and other administrative support services

FY 2006-07

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Total	General Funds	Federal Funds	Supp. Funds	CRF	Other Funds	FTEs
\$542,204	\$0	\$0	\$0	\$0	\$542,204	8.00

Expected Results:

No material findings on annual financial audit; Ensure all policies are current with enabling laws and regulations; customer survey reflect positive on services provided

Outcome Measures:

No material finding on audits in past 17 years; All policies are current and known by all employees; custom surveys reflect 98% positive responses over last 6 years

AGENCY TOTALS

Second Injury Fund

TOTAL AGENCY FUNDS	TOTAL GENERAL FUNDS	TOTAL FEDERAL FUNDS	TOTAL OTHER FUNDS
\$1,730,402	\$0	\$0	\$1,730,402
	TOTAL SUPPLEMENTAL FUNDS	TOTAL CAPITAL RESERVE FUNDS	TOTAL FTEs
	\$0	\$0	23.00